

OFFICE OF THE LIEUTENANT GOVERNOR
EVELYN SANGUINETTI – LIEUTENANT GOVERNOR

Local Government Consolidation and Unfunded Mandates Task Force

Monday, August 3, 2015
James R. Thompson Center
16th Floor, Room 504
2PM

Conference Number: 1-888-806-4788
Access Code: 8040585503#

Name	Title	Organization	Present
Evelyn Sanguinetti	Lt. Governor	State of Illinois	Y
Tom Demmer	Representative	90 th District	N
Mark Batinick	Representative	97 th District	Phone
Jack Franks	Representative	63 rd District	Phone
Emmanuel Chris Welch	Representative	7 th District	Y
Dan Duffy	Senator	26 th District	Phone
Dale Righter	Senator	55 th District	Phone
Martin A. Sandoval	Senator	12 th District	N
Linda Holmes	Senator	42 nd District	Y
Karen Darch	Mayor	Barrington	Y
Karen Hasara	Former Mayor	Springfield	Phone
Brad Cole	Executive Director	Illinois Municipal League	Y
Ryan Spain	City Council Member	Peoria	N
Dan Cronin	Chairman	DuPage County	Phone
Michael Bigger	Former Chairman	Stark County	Y
Mark Kern	Chairman	St. Clair County	Phone
John Espinoza	Board Member	Whiteside County	Y
Dr. Darlene Ruscitti	Regional Superintendent	DuPage Schools	Phone
Steffanie Seegmiller	Chairman	Arthur School Board	Y
M. Hill Hammock	Senior Fellow	Metropolitan Planning Council	N
Char Foss-Eggemann	Trustee	Park Ridge Library Board	Phone
Warren L. Dixon III	Township Assessor	Naperville	Y
George Obernagle	Chairman	Kaskaskia Regional Port District	Phone
Non-Voting Members			
Clayton Frick		Deloitte Services LP	N
Jeff Aranowski		Illinois State Board of Education	Y
Paul Kersey		Illinois Dept of Labor	Y
Hans Zigmund		Illinois Dept of Revenue	Y
Andrew Perkins		DCEO	Y

The Local Government Consolidation and Unfunded Mandates Task Force met for the seventh time on August 3rd, 2015 with Lieutenant Governor and Chair Evelyn Sanguinetti presiding.

MEETING LOCATION

James R. Thompson Center
16th Floor, Room 504
2PM

MEETING START

Meeting Schedule Start: 2:00PM

Meeting Actual Start: 2:04PM

AGENDA

I. Call to Order and Roll Call

- a. Lt. Governor Evelyn Sanguinetti called the meeting to order at 2:04PM CT and welcomed members
- b. Roll Call was taken. Quorum was met.

II. Approval of meeting minutes from June 24, 2015

- a. Minutes from the last meeting were opened for corrections.
 - i. Mr. Bigger corrected that his attendance was in person and not via phone.
 - ii. Ennedy Rivera noted a formatting correction concerning vote totals.
- b. Lt. Governor Sanguinetti motioned to approve the minutes with corrections. Cole moved and Dixon seconded. Welch abstained from approval due to absence from the prior meeting.

III. Chairman's Remarks – Lt. Governor Evelyn Sanguinetti

- a. Lt. Governor Sanguinetti welcomed members and thanked them for their hard work. She mentioned the Governor has been pleased with the progress made, and looks forward to seeing the final recommendations of the Task Force at the end of the year. Additionally she noted that that the meeting would be the first in a series on education.

IV. Presentations

- a. School District Consolidation Incentive Programs, Illinois State Board of Education
 - a. Mary Heninger, Renee Vilate, and Deb Vespa presented
 - In FY15- 2 consolidations, 2 hybrid formations, and 1 absorption
 - A 15% decrease since FY84 in school districts
 - Discussed various options available under current law
 - School reorganization consolidation most common
 - School district conversion
 - Partial Elementary unit districts
 - Process- New District Formations
 - Dissolution or Annexation

- Dissolution by referendum
- Non-referendum dissolution
- Other options
- School District Reorganizations FY84 to FY16
- Reorganization Incentives
- Total Incentive paid off FY86 to FY15
- Total incentives paid by type
- Reorganization Legislation
- 1985 School District Reorganization Act
- Prior Task Force- Classrooms First
- School District Reorganization District Resources
- Brochures
- Feasibility Studies

At the conclusion of the presentation, Lt. Governor Sanguinetti opened the floor for discussion and questions.

- Lt. Governor Sanguinetti inquired about metrics regarding teacher salary and student performance.
 - Heninger responded that only if the school boards had already worked student performance into their salary schedule would it then play a part in their calculations.
- Lt. Governor then asked what happens when the four year time period expires.
 - Heninger said that the school districts need to be aware that the incentive money is short term assistance and that the intent is to help the schools through a transitional phase, not to keep the lights on. The school code dictates the incentive money is only paid for four years.
- Lt. Governor asked if there are recommendations to revise the incentives
 - Vespa answered that they looked at ways to reorganize to better meet the needs of the students. They looked at various components to determine the biggest needs of the school. For instance, the geographic region the school covers, transportation issues, facilities of the schools, and the age of the facility. Revisions would be in the way of enhancing student experience and curriculum. They considered construction incentives, for example, updating science labs or electrical upgrades.
- Darch questioned if they have totals on cost of incentives and realized savings resulting from reorganization.
 - Heninger responded that the state board does not look at those totals, and that the individual school boards make the final decisions on their spending.
- Senator Holmes asked how many regional offices of education exist.

- Vilatte answered that there are now thirty-five regional offices, plus the three intermediate service centers in suburban Cook, plus Chicago Public Schools.
- She then asked if all of the districts have a seven member board of trustees.
 - Heninger answered that all thirty-five districts have a board, but the CPS system does not.
- Espinoza asked if the thirty-five number is up to date to include referenced consolidations.
 - The presenters responded that the number is up-to-date as of July 1st and does include those reorganizations.
- Seegmiller commented that the incentive money makes a significant impact and gives the receiving unit the ability to function. She noted that especially when the state has cut some funding, the incentive money is what allows a reorganization to happen.

b. Higher Ed Procurement Reform
Jonathan Lackland and Doug Schnittker, Illinois State University

- They summarized from a policy perspective what led to the current types of discussions being held regarding procurement and higher education.
 - In 2010 there was a Blue Ribbon Commission Report which resulted in the formation of a committee that evaluated both how higher education views procurement and hindrances caused by procurement processes.
 - Example takeaways included the issue of ensuring diverse vendors have the opportunity to bid on contracts, hindrances in the library and research realm relating to the procurement code and consortium purchasing issues.
- Suggested Mandate Changes
 - Lackland and Schnittker also highlighted a few suggested mandate changes from a more extensive list they distributed to members.
 - Restore the Higher Education Procurement exemptions that lapsed due to a technical error by enacting HB 170 or equivalent legislation.
 - Amending the code to allow the bidders additional time to meet registration requirements
 - Consortiums save hard dollars and provide efficiencies

After the conclusion of the presentation, Lieutenant Governor Evelyn Sanguinetti opened the floor for discussion.

- As a trustee of the University of Illinois board, Hasara echoed the concerns that had been raised in the presentation and said it created many difficulties. She believes that if you surveyed universities they would

concur that they have missed out on hiring the best individuals or receiving grants because they could not get through the process quickly enough.

c. Task Force Consolidation and Unfunded Mandates Study,
Norm Walzer, Northern Illinois University

- Discussed a questionnaire including questions dictated by the Executive Order that will be sent out to local government associations regarding mandates.
 - The project must begin as soon as possible to have a draft by mid-or late November and relies on inputs from local government associations providing timely input.
 - He then discussed a Task Force Proposed Action Plan
1. Reconcile COG and IOC numbers of governments by matching governments by type focusing on counties, cities, townships, school districts, community college districts, park districts, and transportation districts. Prepare brief tabulation of classifications used by the COG and IOC.
 2. Review state laws relating to local government and school district consolidation.
 - a. Summarize and dissect past analyses e.g. *Legislators' Handbook* info, etc.
 - b. Prepare summary of current legislation covering pension eligible, compensation, taxing powers, dissolution or consolidation and meeting requirements for use by Task Force members.
 - c. Contact IDOR, Leg. Reference Bureau, and state agencies for taxing powers, rates, dissolution, meeting requirements.
 - d. Prepare matrix of attributes by the 7 types of government in Exec Order.
 - e. Show numbers of governments and reconcile COG and IOC.
 3. Review State laws WRT unfunded mandates by type of local government and school districts.
 - a. Prepared and distribute survey to associations representing each of the 7 types of government listed above.
 - b. Tabulate survey results for Task Force use.
 - c. Contact associations to compile additional information for mandates selected by Task Force and Lt. Governor's staff on

whether still relevant, associated costs of compliance, waiver process.

- d. Create a data base containing the mandates that can be updated regularly regarding mandates.
- e. Prepare written explanation of process and results.

- 4. Identify opportunities to consolidate, streamline, or eliminate duplicative governmental bodies, school districts, and taxing authorities.
 - a. Review testimony to Task Force on suggestions
 - b. Contact statewide associations for suggested statewide opportunities.
 - c. Examine experiences in other states.
 - d. Propose a list of metrics to use in identifying possible actions based partly on practices used in other states.
- 5. Identify opportunities to replace, revise, or repeal unfunded mandates
 - a. Tabulate results from surveys of local government associations.
 - b. Explore in more detail cost-savings and possible remedies for mandates selected by the Task Force.
 - c. Prepare a section with summary recommendations to support Task Force deliberations.
- 6. *(covers 6 and 7)* Analyze the success of programs in Illinois and other states regarding reorganizing and streamlining governmental structure.
 - a. Contact NGA, NCSL, NACo, and NADO for examples.
 - b. Conduct an internet literature review of best practices and follow-up with other states using a common protocol to obtain detailed information.
 - c. Prepare a summary report for use in Task Force deliberations.

- The sections will run concurrently and a report on each section will be submitted when completed. They will then be incorporated into a draft Task Force report after initial approval by Lt. Governor staff and/or Task Force. The final report will be an accumulation of these sections.

At the conclusion of the presentation Lt. Governor Sanguinetti opened floor for discussion.

- Warren Dixon questioned how they are establishing the true numbers regarding units of government
 - He responded that they connected with contacts at the Census of Governments on a national level and discovered what they were using with respect to defining units of government. They also used the IOC, however the main difference between the two methods was the road and bridge districts because the Census does not see them as independent districts.
- Kern asked if they were surveying local governments directly about unfunded mandates

- He responded that that they wanted to start with the associations like the Municipal League, and that the people who know the mandates best are the local governments. Therefore the associations would consult and work with the local governments then pool that information for the study. The local government officials would be able to best prioritize the importance of various unfunded mandate costs in their answers.
- He also asked if they will be determining how much of a local governments budget is attributable to unfunded mandates
 - Walzer said the way the questionnaire is set up answers questions that come out of the Executive Order. The cost perspective enters the picture when asking, for example, what the cost of a mandate would be in a city of a certain population, then determining the per capita costs state-wide based on extrapolations.
- Jeff Aranowski asked for clarification of how the Task Force was defining an unfunded mandate.
 - Norm Walzer stated they are focusing on identifying mandates first, and then researching if there is a full, partial or lack of appropriation made for the mandate.
- Holmes questioned to whom the questionnaire is being distributed.
 - Walzer said that they are starting by distributing to the seven association types mentioned in the Executive Order, and if they need to do more they will.

IV. New Business

a. Member comment

- i. Lt. Governor Sanguinetti opened the floor for discussion of additional topics and reminded members they may suggest subjects for future agendas with her Policy Director Brian Costin.

VI. Public Comment

-Sarah Buck, Illinois Association of Health, Physical Education, Recreation and Dance

Hello. My name is Dr. Sarah Buck. I am an Associate Professor in the Physical Education Teacher Educator program at Chicago State University. I am here as President of the Illinois Association of Health, Physical Education, Recreation, and Dance (IAHPERD). I am speaking today to urge you to keep the Physical Education mandate in our schools. Considerable research has been done relating physical activity to a variety of positive health outcomes in school-aged children, as well as across our lifespan. These positive health outcomes include reduced levels of stress, reduced risk of obesity-related diseases, improved social development and communication skills, enhanced self-esteem and body image, and improved mood. I am aware of no research that suggests that removing Physical Education from a curriculum will enhance academic development. In fact, quite the opposite is true, with a plethora of studies indicating that time spent in physical activity improves academic achievement across a variety of subject matters, including Math and Reading.

Currently, due to several factors, such as technology, social media, and concern for safety, children are participating in physical activity less than ever outside of school. This means that during school may be the only opportunity these children have to be physically active in a supervised and safe environment. By not providing movement opportunities or education about the importance of movement, the whole child is not being educated. Sedentary children tend to become sedentary adults. A sedentary

lifestyle is linked to a variety of costly health issues. It costs significantly more to care for an obese individual than for someone of a healthy weight. A child who is obese may face a lifetime of doctor's visits and medications- both of which are costly for the person and potentially for the state. It may even be costly for future employers who are faced with an unhealthy, less productive workforce with a high rate of absenteeism due to sick days. Worse still, the current generation is slated to have a shorter lifespan than their parents. No state or nation should permit that to happen.

When a lack of priority regarding health is taught to children, it becomes cyclical when future generations are also taught that physical education and activity is secondary or even tertiary to other matters. But, an unhealthy child cannot learn. An unhealthy child cannot grow up to be a productive member of society. The cost of not incorporating Physical Education into school curriculum far exceeds the cost of including it; it is a disservice to eliminate Physical Education from the k-12 curriculum.

I encourage lawmakers to have foresight to potential consequences of actions. Let's make data-driven decisions to improve the health of our youth so they can grow up to do their part in a healthy Illinois. Thank you for allowing me to speak today as President of the Illinois Association of Health, Physical Education, Recreation, and Dance.

-Mark Peysakhovich, American Heart Association and American Stroke Association

Hello, I am Mark Peysakhovich with the American Heart Association and American Stroke Association. I want to take time to register our very strong concerns about the way the PE issue has been undertaken by this Task Force. I look at the vote on proposal number 8, and I see many municipal people, only one education person and no health professionals. Physical education is not just about running around the gym, it is also about learning to eat healthily and exercise. It seems to me that a conversation like this is based on the hope of saving money. If this is the stated purpose, we do not see how this proposal will accomplish that goal. Since 1985 there has been a PE waiver in place and we have seen it abused by adults who are in tough positions. It is up to all of you to put a value on physical education, and also to consider: where are the savings here? We believe the process has been flawed on this, and I heard that the American Heart Association was mentioned at the last meeting and was noted as saying we accept the conclusion that was presented to you. If that is the case, we do not and hope you will reconsider this issue.

VII. Adjournment

Lt. Governor Sanguinetti motioned to adjourn at 4:11PM. Dixon moved the motion and Darch seconded. All ayes with no nays recorded.

